GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1557
ANSWERED ON:09.12.2004
COMMERCIAL AUTONOMY TO PROFIT MAKING PSUs
Owaisi Shri Asaduddin

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government announced to grant more functional and commercial autonomy to profit making PSUs;

(b) if so, whether the Government propose to empower Navratnas and Mini Ratnas to invest upto 10% of their net worth in joint venture with a upper limit of 30% as compared to 5% and 15% respectively;

(c) if so, the details thereof;

(d) whether the Government has examined financial and other strength of such companies before allowing such power; and

(e) if so, the details thereof and time by which a final decision is likely to be taken?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a): Yes Sir. The Government have pledged to devolve full managerial and commercial autonomy to successful profit making companies operating in a competitive environment.

(b),(c), (d) and (e): Various suggestions, incluging delegation of greater powers for investment, are being considered by the Government keeping in view the critical assessment of comparative strengths of the PSUs, the finalisation of which is expected shortly before the close of the current financial year.